EXHIBIT C

Moody's Investors Service

Global Credit Research
Credit Opinion
15 OCT 2008

Credit Opinion: Spanish Broadcasting System, Inc.

Spanish Broadcasting System, Inc.

Miami, Florida, United States

Ratings

Category	Moody's Rating
Outlook	Rating(s) Under Review
Corporate Family Rating	*Caa1
Sr Sec Bank Credit Facility	*Caa1/LGD3
Preferred Stock	*Caa3/LGD6

* Placed under review for possible downgrade on October 14, 2008

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Opinion

Company Profile

Spanish Broadcasting System, Inc. (Spanish Broadcasting), headquartered in Coconut Grove, Florida, owns and operates 21 radio stations and three television stations targeting the Hispanic audience. Its annual revenue is approximately $175 million.

Rating Rationale

Spanish Broadcasting's Caa1 rating reflects high leverage and negative free cash flow, risk related to its 2006 launch of MEGA TV, recent weakness in operating performance of its radio segment, lack of scale and significant revenue concentration in the New York, Los Angeles, and Miami markets. The TV launch created execution risk and has resulted in a material increase in leverage as the company strives to achieve positive EBITDA from this still new initiative, and we believe current economic conditions could delay profitability for this venture. Spanish Broadcasting's large market presence and favorable longer term growth rates for the Hispanic media market and positive Hispanic demographic trends support the rating.

Recent Events

On October 14, 2008, Moody's downgraded Spanish Broadcasting's corporate family and probability of default ratings to Caa1 from B3. The inability to draw down its full $25 million revolver, combined with continued deterioration of industry fundamentals, pressures the company's already limited liquidity position. Furthermore, we believe leverage will likely remain above the 10 times debt-to-EBITDA level necessary to sustain its B3 rating.

On June 19, 2008, Moody's downgraded Spanish Broadcasting's corporate family and probability of default ratings to B3 from B2.

On October 4, 2007, Moody's downgraded Spanish Broadcasting's corporate family and probability of default ratings to B2 from B1.

Rating Drivers

The following key factors drive Spanish Broadcasting's rating. All cited metrics incorporate Moody's standard adjustments.

Moody's Global Broadcast Industry methodology characterizes Spanish Broadcasting as a B3, one notch higher

than its corporate family rating. The double digit leverage and expectations for continued deterioration of industry fundamentals, as well as lack of visibility on the strategy for the TV operations, constrain the rating.

High Leverage and Negative Free Cash Flow

The combination of substantial EBITDA losses at MEGA TV (which debuted in March 2006) and weak radio performance contributed to leverage rising to 13.7 times debt-to-EBITDA (for the trailing 12 months through June 30, 2008) from approximately 10 times over the past several years, positioning Spanish Broadcasting as a Caa for this factor in the methodology. In addition to the negative impact of the television initiative on the company's credit profile, MEGA TV faces significant competition from larger, well established competitors (Univision, Telemundo, Telefutura), creating considerable execution risk. As Spanish Broadcasting leverages its programming content and gains market share, losses could narrow, leading to a decline in leverage, but we believe current economic conditions could delay improvement. Nevertheless, the DirecTV affiliation agreement will likely bring in incremental television revenue, including a recurring stream of subscriber fees.

The weak radio performance, television initiative, and extraordinary capital expenditures related to the construction of the new broadcasting facility in Miami have pressured free cash flow. Spanish Broadcasting consumed approximately $20 million of cash in the trailing 12 months through 2008, after consuming $2 million of cash in 2007 and generating modestly positive free cash flow in prior years.

Market Structure / Market Dynamic

Spanish Broadcasting benefits from its large market presence with stations located in six of the top ten Hispanic markets (Los Angeles, New York, Puerto Rico, Chicago, Miami and San Francisco) that reach approximately 50% of the U.S. Hispanic population. The company scores an Aa for the DMA / MSA presence sub-factor in the methodology. However, the New York, Los Angeles, and Miami stations contributed over 70% of 2007 revenue, exposing the company to economic fluctuations in these markets and contributing to the Caa rating for the Regional Diversification sub-factor. We attribute a portion of the significant decline in radio revenue for the first half of 2008 (radio revenue declined approximately 10% compared to the prior year) to poor economic conditions in Miami, New York and Los Angeles. According to Moody's Economy.com, long term trends for Miami remain strong, but the near term outlook is bleak.

Spanish Broadcasting's television operations offer strategic diversification, and cross promotional and some programming benefits, but the associated execution, competitive and financial risks offset these benefits.

EBITDA Margin Has Deteriorated

Lack of visibility for EBITDA margins constrains the rating. Spanish Broadcasting's EBITDA margin deteriorated to approximately 20% (scoring a B in this sub-factor) for the trailing twelve months ending June 30, 2008, from approximately 26% in 2006 and 2007, and over 30% in prior years before the launch of MEGA TV. The TV segment's negative broadcast cash flow of approximately $20 million in 2006, $12 million in 2007, and $14 million in the trailing twelve months through June 30 drove the majority of this decline, though radio margins have diminished as well. Promotional spending to support morning radio shows in New York and Puerto Rico led to radio broadcast cash flow margins falling below 20% in the first quarter of 2008 from the typical 30+% margin. Radio margins improved in the June quarter as these marketing costs declined, but the weak advertising market will likely continue to hamper margins. Losses in the TV operations could narrow as MEGA TV builds a track record of improving ratings and Spanish Broadcasting achieves wider distribution for this content, but the timing and ultimate profitability level remain uncertain, and we believe current economic conditions could delay improvement.

Liquidity

Moody's considers Spanish Broadcasting's liquidity adequate, supported by balance sheet cash. The inability to draw down its full $25 million revolver pressured the company's liquidity position, and uncertainty regarding the television operations and radio revenue trends creates some volatility in EBITDA.

On October 3, Spanish Broadcasting requested to draw down $25 million from its $25 million revolving credit facility but received an aggregate of only $15 million as a result of Lehman Commercial Paper Inc.'s failing to fund its $10 million portion of the facility due to its bankruptcy filing. Additional liquidity consists of balance sheet cash of $39 million as of June 30, 2008. Funding needs include an $18.5 million obligation maturing in January 2009 as well as annual cash interest expense of approximately $20 million and cash dividends on its preferred stock of approximately $10 million. Spending for the new broadcast center has inflated capital expenditures over the past several years from a normalized level of approximately $5 million.

The company continues to consume cash at an accelerating rate, with negative free cash flow of approximately $20 million for the trailing twelve months ended June 30, 2008, compared to negative $2 million in 2007 and positive $1 million in 2006.

Spanish Broadcasting's credit facility and term loan have no financial maintenance covenants. However, as the

guarantor under the SBS Miami Broadcast Center's $7.7 million loan facility, Spanish Broadcasting must maintain available liquidity of not less than 1.2 times the outstanding balance of the SBS Miami Broadcast Center loan facility (outstanding balance of $7.2 million as of June 30, 2008).

Structural Considerations

The Caa1 ratings on Spanish Broadcasting's senior secured credit facilities, consisting of a $325 million term loan ($314 million outstanding as of June 30) and the revolving credit facility, reflect their senior-most position in the capital structure. Lenders benefit from a pledge of all capital stock and assets of the borrower and its subsidiaries, as well as subsidiary guarantees (excluding certain Puerto Rico and other subsidiaries). Preferred stock (rated Caa3) holders rank junior to secured lenders and all other debt and non-debt liabilities in the capital structure.

Other Considerations

Discovery Equity Partners (Discovery) owns approximately 10% of Spanish Broadcasting's Class A shares, which represents an approximately 4% economic ownership interest. Throughout the first half of 2008, Discovery sent repeated letters to Spanish Broadcasting's board asking stockholders to withhold votes for the election of directors and calling for the company to consider a sale or revision of corporate practices. However, Spanish Broadcasting's ownership structure presents substantial challenges to an investor seeking change. Nevertheless, responding to Discovery creates some management distraction, as well as increased professional and legal fees.

Spanish Broadcasting's Chairman and CEO, Raul Alacron, Jr., controls approximately 80% of voting power through a dual class share structure and maintains effective control of matters requiring a shareholder vote. At the June 3 annual meeting, shareholders approved election of seven director nominees.

Rating Outlook

Ratings are under review for possible downgrade. The review will focus on management's strategy for its startup television business, which continues to consume cash, and its ability to improve its liquidity, either through cost reductions or external sources.

Rating Factors

Spanish Broadcasting System, Inc.

Global Broadcast Industry	Aaa	Aa	A	Baa	Ba	B	Caa
Factor 1: Financial Leverage (25.0%)							
Regional and National Broadcasters							
a) Debt / EBITDA							X
Factor 2: Scale (20.0%)							
Regional and National Broadcasters							
a) Revenue							X
Factor 3: Geographic Market Dynamic (15.0%)							
Regional Broadcasters							
a) Regional Diversification							X
National Broadcasters							
a) Country Diversification and Economic Stability							
b) TV Ad Market Growth (net of discounts)							
Factor 4: Fixed Charge Coverage (12.5%)							
Regional and National Broadcasters							
a) (EBITDA - CapEx) / Interest							X
Factor 5: EBITDA Margin (12.5%)							
Regional and National Broadcasters							
a) EBITDA / Revenue						X	
Factor 6: Competitive Position (15.0%)							
Regional Broadcasters							
a) Number of Leading Market Positions						X	

b) DMA / MSA Presence		X					
c) Growth Relative to Overall Market						X	
National Broadcasters							
a) Market Share - (Total Revenue / Total Market Revenue)							
b) Audience Share of Company in All Channels							
c) Market Share Trend - (Moody's Expectation)							
Rating:							
a) Indicated Rating from Methodology						B3	
b) Actual Rating Assigned						Caa1	